Recovery of income tax

† 2121. SMT. SAVITA SHARDA: Will the Minister of FINANCE be pleased to state:

(a) the amount of income tax outstanding against the tax payers of the last three years;

(b) the reasons for not recovering the above amount of income tax;

(c) whether Government have formulated a new scheme for strict recovery of the outstanding amount; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The amount of income tax dues outstanding against the tax payers for the last three years is as follows:

As on 1.4.2004 Rs. 87,885 crore

As on 1.4.2003 Rs. 72,290 crore

As on 1.4.2002 Rs. 72,671 crore

(b) the reasons for the taxes remaining outstanding include:—

(i) Demand has been stayed by the Courts, Tribunal and Income Tax Authorities.

(ii) Demand pertains to persons notified under special Court (Torts) Act.

(iii) Taxpayer is not traceable or has no assets for recovery.

(iv) Company is under liquidation or before BIFR.

(v) The Case is before Settlement Commission.

(vi) Demand is not enforceable in view of protective assessments or loss of Department in appeal in earlier years.

(c) and (d) A Task Force has been constituted to develop and implement a multipronged strategy for collection of arrears of taxes. This Task Force would co-ordinate and supervise the functioning of the Core Committees at the level of the Chief Commissioners of Income Tax. and issue directions to the income tax authorities on various issues

†Original notice of the question was received in Hindi.

including identification of potential cases for recovery, early disposal of appeals, vacation of stay, identification of assets for recovery, etc. The Task Force would also develop and launch a multi-media public awareness campaign to encourage the taxpayers to clear their tax dues voluntarily.

Loan under LIC Housing Finance

2122. SHRIMATI S.G INDIRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the LIC Housing Finance had sanctioned 92,400 loans for a total amount of Rs. 4069 crores and disbursed 92,827 loans for a total amount of Rs. 3,668 crores under individual loans;

(b) whether it is also a fact that the company recorded a net profit of Rs. 167.47 crores in 2003-04 which is lower than previous year's 178.97 crores;

(c) whether it is also a fact that the decline in net profit was due to one-time income in fiscal 2003 which was not available in fiscal 2004; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir.

(c) and (d) The LIC Housing Finance Ltd. (LICHFL) has informed that one time income of Rs. 86.20 crores recorded in fiscal 2003 was on account of securitization of housing loans, which was not available in fiscal 2004. In additions, higher provisioning required due to the revised NPA recognition norms for Corporate Undertaking aggregating to Rs. 108.94 crores also had its impact on the profitability.

Fiscal deficit

2123. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that IMF has warned India fiscal deficit should be controlled to sustain the present high growth; and

(b) if so, what is the action plan of Government to correct the fiscal imbalances and how far this has been implemented to rein in the fiscal deficit?